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# HOUSE BILL No. 1483

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-16-7.

**Synopsis:** Common construction wage. Requires public work contractors and subcontractors to keep certain records and report certain information relating to payment of the common construction wage. Requires a contractor or subcontractor to post the common construction wage scale at certain locations. Empowers the department of labor (department) to enforce the common construction wage law through investigation of alleged violations, imposition of certain remedies, and application for judicial remedies. Provides a private right of action to certain persons to enforce the rights of a worker under the law. Forbids retaliation against an individual who acts to assist the enforcement of the common construction wage law. Authorizes the department to adopt administrative rules to implement certain enforcement powers. Provides that persons who have certain relationships with a contractor or subcontractor that violates the law may not be awarded public work contracts for certain periods of time. Provides that an agreement in which a worker agrees to work for less than the common construction wage is void. Provides that violations of the common construction wage law are misdemeanors. Removes from the common construction wage law exceptions under which the law does not apply to: (1) contracts let by the Indiana department of transportation for the construction of highways, streets, and bridges; and (2) certain public work done for Purdue University on agricultural or forestry land owned or occupied by Purdue. Repeals a superseded criminal statute.

**Effective:** July 1, 2007.

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## Kuzman

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January 23, 2007, read first time and referred to Committee on Labor and Employment.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1483

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-16-7-1 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Any firm, individual,  
3 partnership, limited liability company, or corporation that is awarded  
4 a contract by the state, a political subdivision, or a municipal  
5 corporation for the construction of a public work, and any  
6 subcontractor of the construction, shall pay for each class of work  
7 described in subsection (c)(1) on the project a scale of wages that may  
8 not be less than the common construction wage.  
9 (b) For the purpose of ascertaining what the common construction  
10 wage is in the county, the awarding governmental agency, before  
11 advertising for the contract, shall set up a committee of five (5) persons  
12 as follows:  
13 (1) One (1) person representing labor, to be named by the  
14 president of the state federation of labor.  
15 (2) One (1) person representing industry, to be named by the  
16 awarding agency.  
17 (3) A third member to be named by the governor.



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(4) One (1) taxpayer who pays the tax that will be the funding source for the project and resides in the county where the project is located. The owner of the project shall make the appointment under this subdivision.

(5) One (1) taxpayer who pays the tax that will be the funding source for the project and resides in the county where the project is located. The legislative body (as defined in IC 36-1-2-9) for the county where the project is located shall make the appointment under this subdivision.

(c) As soon as appointed, the committee shall meet in the county where the project is located and determine in writing the following:

(1) A classification of the labor to be employed in the performance of the contract for the project, divided into the following three (3) classes:

(A) Skilled labor.

(B) Semiskilled labor.

(C) Unskilled labor.

(2) The wage per hour to be paid each of the classes.

The committee is not required to consider information not presented to the committee at the meeting. IC 5-14-1.5 (open door law) applies to a meeting of the committee.

(d) The rate of wages determined under subsection (c) shall not be less than the common construction wage for each of the three (3) classes of wages described in subsection (c) that are currently being paid in the county where the project is located.

~~(e) The provisions of this chapter shall not apply to contracts let by the Indiana department of transportation for the construction of highways, streets, and bridges. IC 8-23-9 applies to state highway projects.~~

(f) A determination under subsection (c) shall be made and filed with the awarding agency at least two (2) weeks prior to the date fixed for the letting, and a copy of the determination shall be furnished upon request to any person desiring to bid on the contract. The schedule is open to the inspection of the public.

(g) If the committee appointed under subsection (b) fails to act and to file a determination under subsection (c) at or before the time required under subsection (f), the awarding agency shall make the determination, and its finding shall be final.

(h) It shall be a condition of a contract awarded under this chapter that the successful bidder and all subcontractors shall comply strictly with **all provisions of this chapter, including** the determination made under this section.

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(i) ~~The provisions of This chapter do~~ **does** not apply to public work projects ~~in this state~~ that would otherwise be subject to ~~the provisions of this chapter~~ that are to be paid for in whole or in part with funds granted by the federal government, unless the department of the federal government making the grant shall consent in writing that ~~the provisions of this chapter are~~ **is** applicable to the project.

(j) Notwithstanding any other law, ~~the provisions of this chapter apply~~ **applies** to projects that will be:

- (1) owned entirely; or
- (2) leased with an option to purchase; by the state or a political subdivision (as defined in IC 36-1-2-13).

(k) Notwithstanding any other law, this chapter does not apply to projects in which the actual construction costs less than one hundred fifty thousand dollars (\$150,000). **If the commissioner determines that an awarding agency has divided a public work project to avoid the application of this chapter to the public work project, the commissioner shall issue an order compelling compliance with this chapter. In making a determination whether an awarding agency has divided a public work project to avoid the application of this chapter to the public work project, the commissioner shall consider all of the following:**

- (1) The physical separation of the project structures.
- (2) The timing of the work on project phases or structures.
- (3) The continuity of project contractors and subcontractors working on project parts or phases.
- (4) The manner in which the public body and the contractor and subcontractors administer and implement the project.
- (l) Information submitted to a committee established under this section must be accompanied by a written statement signed by the person or an authorized agent of the person affirming all of the following:

- (1) That the information submitted is accurate and true.
- (2) That the person is aware that submission of false information is a violation of this chapter and a Class B misdemeanor.

**The committee established under this section may not consider information submitted under this section without the statement required by this subsection.**

SECTION 2. IC 5-16-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The state or ~~any~~ a municipal corporation ~~thereof~~ letting ~~any such contracts~~ **a public work contract** shall require any contractor or subcontractor performing ~~such public~~

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work **under the contract** to file a schedule of the wages to be paid to such laborers, workmen, or mechanics thereon with the state or with such municipal corporation. ~~Such the contractor's or subcontractor's workers.~~

(b) The wage schedule shall be filed **with the state or the municipal corporation** before any work is performed on ~~such the~~ contract or subcontract. ~~provided, such~~

(c) The wage scale shall not be less than the scale determined as provided in section 1 of this chapter. ~~provided further, that nothing in~~

(d) This chapter ~~provided shall~~ **does not** prevent ~~such the~~ contractor or subcontractor from paying a higher rate of wages than set out in the schedule of wages filed by ~~him; the contractor or subcontractor.~~

(e) In addition to complying with IC 22-1-1-15, IC 22-1-1-16, and IC 22-1-1-17, each contractor and subcontractor on a public work project shall do the following while engaged on the project:

(1) Make accurate records of each and every class of worker described in section 1(c)(1) of this chapter that is employed by the contractor or subcontractor during the public work project. The records must include the following information for each worker:

(A) The worker's name.

(B) The worker's address.

(C) The worker's telephone number, if available.

(D) The worker's Social Security number.

(E) The worker's trade classifications.

(F) The hourly wages paid to the worker in each pay period.

(G) The number of hours the worker worked each day.

(H) The times at which the worker started and finished work each day.

(2) Submit a certified payroll to the awarding agency each week. A certification of the payroll must be signed by an authorized agent of the contractor or subcontractor and must state the following:

(A) That the payroll records are accurate.

(B) That the hourly rate paid to each worker is not less than the common construction wage required by this chapter.

(C) That the contractor or subcontractor is aware that filing a payroll known to be false is a Class B misdemeanor.

The contractor or subcontractor may submit the certified

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payroll personally, by mail, or by electronic means.

(f) The awarding agency shall keep the records submitted under subsection (e) for not less than three (3) years after substantial completion of the public work project. The records submitted under subsection (e) are public records. However, as provided in IC 5-14-3-4(a)(12), the Social Security numbers of workers are confidential.

(g) The contractor or subcontractor shall make the records described in this section available for inspection by the awarding agency and by the department during all reasonable hours at a location within Indiana.

(h) To enable the verification of the accuracy of the records submitted under this section, each contractor and each subcontractor shall make its workers available for interview by the awarding agency and the department at the public work project site.

(i) Each contractor and each subcontractor on a public work project shall post the common construction wage scale for each class of labor described in section 1(c)(1) of this chapter in a prominent and easily accessible place at:

- (1) the public work project site; and
- (2) the places where the contractor or subcontractor pays its workers.

SECTION 3. IC 5-16-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. The definitions in this section apply throughout this chapter:

(1) "Commissioner" refers to the commissioner of labor appointed under IC 22-1-1-2.

(2) "Common construction wage" means a scale of wages for each class of work described in section 1(c)(1) of this chapter that is not less than the common construction wage of all construction wages being paid in the county where a project is located, as determined by the committee described in section 1(b) of this chapter after having considered:

(A) reports from the department of workforce development; and

(B) any other information submitted by any person to the committee established under section 1(b) of this chapter.

(3) "Department" refers to the department of labor created by IC 22-1-1-1. The term includes the commissioner, employees of the department, and agents authorized by the commissioner to act on behalf of the department.

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(4) "Interested party" means any of the following:

(A) A contractor that submits a bid for the award of a public work contract.

(B) A subcontractor of a contractor described in clause (A).

(C) A labor organization that:

(i) represents workers engaged in the same craft or classification as workers employed by a contractor or subcontractor described in clause (A) or (B); and

(ii) has as a purpose negotiating with employers concerning wages, hours, or terms and conditions of employment for employees.

(D) An association of contractors or subcontractors described in clause (A) or (B).

(E) A joint labor-management committee established under the federal Labor Management Cooperation Act of 1978 (29 U.S.C. 175a).

~~(2)~~ (5) "State" of Indiana includes any officer, board, commission, or other agency authorized by law to award contracts for the performance of public work on behalf of the state, ~~excepting except~~ as otherwise provided in this chapter.

~~(3)~~ (6) "Municipal corporation" includes:

(A) any county, city, town, or school corporation; ~~as well as~~ and

(B) any officer, board, commission, or other agency authorized by law to award contracts for the performance of public work on behalf of any such municipal corporation: ~~an entity described in clause (A).~~

The term also includes a redevelopment commission established under IC 36-7-14-3.

(7) "Payroll records" means the payroll records that a contractor or subcontractor is required to file under section 2 of this chapter.

~~(4)~~ (8) "Public work" includes any public building, highway, street, alley, bridge, sewer, drain, improvement, or any other work of any nature or character ~~whatsoever~~ which is paid for out of public funds, ~~excepting except~~ as otherwise provided in this chapter.

(9) "Records" means any books, documents, papers, payrolls, registers, or other records, in whatever form maintained.

(10) "Worker" means a laborer, mechanic, or worker employed by a contractor or subcontractor on a public work

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project.

SECTION 4. IC 5-16-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) This chapter does not apply to contractors or subcontractors performing public work for Purdue University on agricultural or forestry land owned or occupied by the university and used by it for educational or research purposes if the cost of the work is estimated to be less than fifty thousand dollars (\$50,000).

(b) Except as provided in IC 5-23, this chapter does not apply to a person that has entered into an operating agreement with the state, a municipal corporation, or another political subdivision for the management or operation of a public facility under IC 5-23.

SECTION 5. IC 5-16-7-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The commissioner shall do the following:

- (1) Enforce the provisions of this chapter.
- (2) Diligently investigate a complaint of a violation of this chapter.
- (3) Institute actions for remedies prescribed by this chapter.

(b) The commissioner may, on behalf of the state, seek judicial relief to enjoin:

- (1) the awarding of a contract that would be awarded in violation of this chapter;
- (2) the beginning of a public work that has or would be begun in violation of this chapter; or
- (3) the continuation of a public work that is being performed in violation of this chapter.

(c) At the request of the commissioner or the commissioner's authorized agent, the attorney general or the prosecuting attorney of a county shall prosecute criminal violations of this chapter.

(d) In addition to exercising its powers under IC 22-1-1, the department may do any of the following to enforce this chapter:

- (1) Enter and inspect the place of business or employment of a contractor or subcontractor that has performed or is performing work under a public work contract.
- (2) Inspect records that relate in any way to the wages, hours, or other conditions of employment of a worker employed by a contractor or subcontractor that has performed or is performing work under a public work contract.
- (3) Make copies of records inspected under subdivision (2).
- (4) Question workers to determine compliance with this chapter.

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(5) Administer oaths.

(6) Take depositions.

(7) Require, by subpoena, the attendance of witnesses and the production of records to determine compliance with this chapter. The circuit or superior court of the county where a subpoena is served shall enforce the subpoena.

(8) Require a contractor or subcontractor to affirm statements regarding wages, hours, names, addresses, and other information relating to the employment of workers that the department considers necessary.

(9) Require the state or municipal corporation that awarded the public work contract to withhold not more than twenty-five percent (25%) of the payments to be made to a contractor or subcontractor that has failed to produce records required by the department under this section not later than ten (10) days after the department requested production of the records. Upon production of the requested records, the department shall direct the state or municipal corporation to release money withheld under this subdivision.

(10) If a contractor or subcontractor refuses to produce records required by the department under this section, the department shall order the state or municipal corporation that awarded the public work contract to pay directly to the workers employed by the contractor or subcontractor from the amount withheld under subdivision (9) any wages found to be due to those workers under this chapter.

(11) Contract with a certified public accountant to conduct an audit of a contractor, a subcontractor, the state, or a municipal corporation to determine compliance with this chapter.

SECTION 6. IC 5-16-7-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) As used in this section, "notice of second violation" means a notice of violation that is issued by the department to a contractor or subcontractor within three (3) years after the date on which the department previously issued a notice of violation to the contractor or subcontractor.

(b) As used in this section, "notice of violation" means the department's formal written notice to a contractor or subcontractor that the department has made a determination that the contractor or subcontractor has committed a violation of this chapter.

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(c) As used in this section, "violation" refers to any of the following:

(1) The failure or refusal of a contractor or subcontractor to pay the common construction wage to one (1) or more workers as required by this chapter.

(2) The failure of a contractor or subcontractor to keep accurate payroll records.

(3) The failure of a contractor's or subcontractor's payroll records to comply with the requirements of this chapter.

(4) A failure of a contractor or subcontractor to comply with section 2 of this chapter that is not described in subdivision (2) or (3).

(5) The refusal of a contractor or subcontractor to submit records or give testimony to the department in response to a subpoena issued under this chapter.

(6) The refusal of a contractor or subcontractor to permit the department to inspect the contractor's or subcontractor's records as required by this chapter.

(7) The failure of a contractor or subcontractor to post the common construction wage information as required by this chapter.

(d) Upon receiving a complaint that this chapter has been violated, the department shall investigate the circumstances described in the complaint. The department may begin an investigation on its own initiative without receiving a complaint.

(e) When making a determination whether a violation of this chapter has occurred and whether a notice of violation should be issued, the department shall consider all information received and observations made during the investigation.

(f) A notice of violation must identify the following:

(1) The specific violations of this chapter that have occurred.

(2) The amount of money the department estimates is in controversy.

(g) In determining whether a contractor or subcontractor has failed to give the department access to payroll records, the department may rely on the following:

(1) All information documented during the investigation.

(2) The certified payroll records filed with the awarding agency.

(3) Other relevant information.

(h) Each separate violation must be described in the notice of violation. Each day worked by one (1) worker in violation of this

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chapter is considered a separate violation.

(i) After determining that a contractor or subcontractor has violated this chapter, the department shall consider the following when deciding whether to issue a notice of violation:

(1) The severity of the violation. The department shall consider the following:

(A) Whether the contractor or subcontractor has received two (2) or more notices of violation.

(B) Whether the violations are substantive and not merely mathematical, bookkeeping, computer, programming, or other technical errors.

(2) The total amount of wages required to be paid under this chapter that have not been paid.

(3) The nature and duration of the present violations.

(4) The contractor's or subcontractor's history of violations of this chapter. When making an evaluation under this subdivision, the department may not consider violations that occurred more than seven (7) years before the date of a notice of second violation.

(5) Whether the contractor or subcontractor has made a good faith attempt to do the following:

(A) File certified payroll records with the awarding agency.

(B) Keep accurate records for three (3) years.

(C) Produce certified payroll records as required by section 2 of this chapter.

(6) Whether the contractor or subcontractor has other violations of this chapter.

(j) A notice of violation must contain the following information:

(1) The name of the contractor or subcontractor alleged to have violated this chapter.

(2) An identification of the public work project involved.

(3) A specific reference to the provision of this chapter that the contractor or subcontractor is alleged to have violated.

(4) A description of the violation.

(5) A statement whether the notice is a first notice issued to the contractor or subcontractor or a second notice of violation.

(6) A summary of the following:

(A) The rights and responsibilities of the parties involved.

(B) The procedures that will be followed to resolve the allegations.

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1       (k) The department must send a notice of violation by certified  
2 mail addressed to the last known address of the contractor or  
3 subcontractor.

4       SECTION 7. IC 5-16-7-8 IS ADDED TO THE INDIANA CODE  
5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
6 1, 2007]: Sec. 8. (a) Any of the following may maintain a private  
7 action on behalf of a worker to recover damages for the  
8 contractor's or subcontractor's failure to pay the worker the  
9 common construction wage required by this chapter:

10       (1) The individual.

11       (2) The department.

12       (3) An interested party.

13       (b) A person described in subsection (a) who obtains a judgment  
14 in an action brought under this section may recover from the  
15 contractor or subcontractor all of the following:

16       (1) The difference between what was paid to the worker and  
17 what the worker was entitled to be paid under this chapter.

18       (2) Two percent (2%) of the amount determined under  
19 subdivision (1) computed from the date of the failure of the  
20 contractor or subcontractor to pay the worker the amount  
21 due the worker to the date the amount determined under  
22 subdivision (1) is paid to the worker. In case of a notice of  
23 second violation, the worker is entitled to five percent (5%) of  
24 the amount determined under subdivision (1) computed from  
25 the date of the failure of the contractor or subcontractor to  
26 pay the worker the amount due the worker to the date the  
27 amount determined under subdivision (1) is paid to the  
28 worker.

29       (3) Litigation costs.

30       (4) Reasonable attorney's fees.

31       (c) In addition to money awarded under subsection (b), the  
32 court shall impose on the contractor or subcontractor a penalty of  
33 twenty percent (20%) of the amount determined under subsection  
34 (b)(1). In case of a notice of second violation, the court shall impose  
35 on the contractor or subcontractor a penalty of fifty percent (50%)  
36 of the amount determined under subsection (b)(1). A penalty  
37 imposed under this subsection shall be paid to the department.

38       (d) A person other than the worker who maintains an action  
39 under this section for a worker holds any amounts recovered under  
40 subsection (b)(1) and (b)(2) in trust for the individual. If the  
41 worker for whom amounts are held in trust under this subsection  
42 does not claim the money not later than one (1) year after the

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1 money is paid to the person, the money shall be considered  
2 unclaimed property under IC 32-34.

3 SECTION 8. IC 5-16-7-9 IS ADDED TO THE INDIANA CODE  
4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
5 1, 2007]: Sec. 9. (a) A person may not cause the discharge of,  
6 discipline of, or any discrimination against an individual because  
7 of any of the following:

8 (1) The individual caused the filing or institution of a  
9 proceeding under this chapter.

10 (2) The individual has testified or will testify in a proceeding  
11 relating to the administration or enforcement of this chapter.

12 (3) The individual provides evidence of a violation of this  
13 chapter.

14 (b) An individual who believes the individual has been  
15 discharged, disciplined, or discriminated against in violation of this  
16 section may apply to the department for a review of the discharge,  
17 discipline, or discrimination.

18 (c) An individual who seeks review under this section must do  
19 the following:

20 (1) File an application for review with the department not  
21 later than one hundred eighty (180) days after the discharge,  
22 discipline, or discrimination in violation of this section has  
23 occurred.

24 (2) Serve a copy of the application on the person alleged to  
25 have violated this section.

26 (d) Upon receiving an application filed under this section, the  
27 department shall investigate the circumstances as the department  
28 considers appropriate.

29 (e) Upon the request of the individual who filed the application  
30 or the person alleged to have violated this section, the department  
31 shall hold a hearing under IC 4-21.5 on the matter.

32 (f) After concluding its investigation under subsection (d) and  
33 hearings held under subsection (e), the department shall make  
34 findings of fact and conclusions of law.

35 (g) If the department finds that a violation of this section has  
36 occurred, the department shall issue an order requiring the person  
37 that violated this section to do the following:

38 (1) Cease the violation.

39 (2) Take whatever action the department considers necessary  
40 to remedy any injury done to the individual who filed the  
41 application.

42 (h) If the department finds that a violation of this section was

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not committed, the department shall dismiss the application.

(i) The department may adopt rules under IC 4-22-2 not inconsistent with this chapter and IC 4-21.5 to implement this section.

SECTION 9. IC 5-16-7-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) This section applies to the following:

(1) A contractor or subcontractor that the department has found in violation of this chapter at least two (2) times during any three (3) year period.

(2) A person who has an interest in a contractor or subcontractor described in subdivision (1).

(b) For purposes of this section, a person has an interest in a contractor or subcontractor if the person is any of the following:

(1) A partner in the partnership that is the contractor or subcontractor.

(2) An owner or officer of the contractor or subcontractor.

(3) An agent, an employee, a manager, or a representative of the contractor or subcontractor.

(4) A consultant to the contractor or subcontractor.

(5) A person who pays a contractor or subcontractor from money that the person is paid for performance of work on a public work project.

(c) A person described in subsection (a) may not be considered responsible for purposes of awarding a public work contract at any time not more than five (5) years after the department has found the most recent violation of this chapter described in subsection (a).

(d) Notwithstanding IC 22-1-1-8(2), the department shall do the following:

(1) Keep a current list of contractors and subcontractors that the department has found in violation of this chapter at least two (2) times during any three (3) year period.

(2) Publish the list on the department's Internet web site.

(3) Provide the list at no charge to a state agency or municipal corporation that requests the list.

SECTION 10. IC 5-16-7-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. An agreement:

(1) that is made between:

(A) an individual who is:

(i) a worker for; or

(ii) an applicant for employment by;

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1           a contractor or subcontractor; and  
 2           **(B) the contractor or subcontractor; and**  
 3           **(2) that provides for the worker or individual to work for the**  
 4           **contractor or subcontractor on a public work project for**  
 5           **wage lower than the applicable common construction wage;**  
 6           **is void.**

7           SECTION 11. IC 5-16-7-12 IS ADDED TO THE INDIANA CODE  
 8           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 9           1, 2007]: **Sec. 12. A contractor or subcontractor who knowingly or**  
 10           **intentionally does either of the following commits a Class B**  
 11           **misdemeanor:**

12           **(1) Fails to pay the rate of wages determined under this**  
 13           **chapter.**

14           **(2) Fails to comply with an order issued under this chapter.**

15           SECTION 12. IC 6-16-7-13 IS ADDED TO THE INDIANA CODE  
 16           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 17           1, 2007]: **Sec. 13. (a) This section does not apply to an agent or a**  
 18           **representative of a labor organization collecting the dues or**  
 19           **assessments of the labor organization.**

20           **(b) A person who knowingly or intentionally:**

21           **(1) asks for or receives money or any other property from a**  
 22           **worker before or after the worker is employed to work on a**  
 23           **public work project; and**

24           **(2) represents, states, or implies that the worker's failure to**  
 25           **pay the money or give the property will prevent the worker**  
 26           **from obtaining or retaining employment on the public work**  
 27           **project;**

28           **commits a Class A misdemeanor.**

29           **(c) It is not a defense to a prosecution under this section that the**  
 30           **worker agreed to give the money or the property to the person.**

31           SECTION 13. IC 5-16-7-14 IS ADDED TO THE INDIANA CODE  
 32           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 33           1, 2007]: **Sec. 14. (a) A person who knowingly or intentionally**  
 34           **violates this chapter commits a Class B misdemeanor.**

35           **(b) Failure to comply with this chapter is a violation of this**  
 36           **chapter.**

37           SECTION 14. IC 5-16-7-3 IS REPEALED [EFFECTIVE JULY 1,  
 38           2007].

**C**  
**O**  
**P**  
**Y**

